

COUNCIL MINUTES
TIGARD CITY COUNCIL MEETING
August 17, 2004

1. WORKSHOP MEETING

- 1.1 Mayor Dirksen called the meeting to order at 6:30 p.m.
- 1.2 Roll Call: Mayor Dirksen, Councilors Moore, Sherwood, Wilson, and Woodruff were present
- 1.3 Pledge of Allegiance
- 1.4 Council Communications & Liaison Reports:
- 1.5 Call to Council and Staff for Non Agenda Items:

2. QUARTERLY WATER UPDATE

a. Staff Report

Dennis Koellermeier, Public Works Director, presented the staff report which included a PowerPoint presentation. Copy is on file with the City Recorder. The contract with Portland was been renegotiated and the notice requirement was removed, which expires June 30, 2007. A replacement contract is currently being negotiated. The City currently receives four million gallons of water per day from the Joint Water Commission. No water is currently being taken from the Willamette River Water Coalition. Two months ago, the Oregon State University Fish Deformity Study was released which indicated there was no water quality issue as a result of the fish deformity but that the fish contain a parasite which causes the deformity. Tests were conducted by Wilsonville and the Tualatin Valley Water District (TVWD) on water from both the river and TVWD sources, and tests from both sources were excellent. Tigard will be asked to participate with the Willamette River Coalition concerning an advertising campaign.

Councilor Moore indicated he attended the last meeting of the Coalition and would recommend Tigard's participation in their public education piece.

Mr. Koellermeier stated summer is a busy time in the water business. He reviewed the water usage charts and conservation measures being used. He noted the City of Portland fired up its East County well system the end of July, mixing that water with water from Bull Run and Portland monitors quality. Generally when the Bull Run water is replaced by just the well water, there are quality issues but water has been mixed from the two sources leaving a better quality water product.

Mr. Koellermeier noted the Joint Water Commission continues to receive questions about fluoride. The questions generally address the amount of fluoride in the water so parents can adjust the amount of supplement to give their children. The City currently tests 32 sites around the city on a monthly basis, to show the fluoride trends in each site. The City checks for 30 different things so one more test is not a problem; no additional cost is incurred to add the test for level of fluoride.

Mr. Koellermeier stated Tigard currently pays \$1.11 for water from Portland, 71 cents from the Joint Water Commission, and 66 cents for water from their own wells. The City receives 62% of its water from Portland, 28 to 30% from the Joint Water Commission and about 10 to 12% from its wells. The Water Operations budget is over \$5.24 million with \$3.56 million of that spent on buying water. There is \$6.15 million in capital reserves, \$1.2 million in contingency, and \$3.5 million in various reserves.

Mr. Koellermeier pointed out the third year rate increase of 6% goes into effect October 1. The Department is looking at a possible revenue bond sale next year that would be tied to construction of the Alberta Rider Reservoir.

Mr. Koellermeier stated the received the penalty notice from Portland in the amount of \$304,000 which is less than anticipated. This penalty results from taking more water from the Joint Water Commission as the City used less water from Portland. This was done so Tigard could be a partner in the Joint Water Commission. He believes that Tigard and other jurisdictions will contest the penalty clause of the Portland contract.

Mr. Koellermeier noted the City drilled one production and one test well. The target set for the production well was 1 million gallons per day, but they are currently pumping between 2 and 2-1/2 million gallons per day. Once the Alberta Rider reservoir is built and on line, they will be able to store some of that water.

3. RIGHT- OF- WAY MAINTENANCE

a. Staff Report

Dennis Koellermeier, Public Works Director, presented the staff report including a PowerPoint presentation. Copy of presentation is on file with the City Recorder. Mr. Koellermeier presented some historical information about this subject, and then a series of options for maintaining right-of-way. The options were:

- 1) Maintaining the status quo at a cost of \$37,000 a year;
- 2) Status quo plus volunteer, at a cost of \$7,000 a year;
- 3) The city assumes basic maintenance responsibility for right-of-way along major collectors in residential zones, and right-of-way mowing where there are deep ditches or steep banks, at an estimated cost of \$135,782 per year;
- 4) Enhanced level of right-of-way maintenance along major collectors in areas zoned residential that are not currently being maintained, at an estimated cost of \$138,644 per year after \$144,873 initial cost; and
- 5) Premium level of right-of-way maintenance and basic right-of-way maintenance, for an estimated cost for first year of \$430,683.

Mr. Koellermeier pointed out if the City decided to do some of the higher levels of maintenance; he would recommend using Durham Road as a demonstration project. He noted out of the 159 lots abutting Durham Road, 118 lots are in compliance, 41 violations were issued and of that, 34 are repeat offenders. For the first offense, a warning is issued, and a citation issued after that. Most of the warnings are issued to new owners who are unaware of the requirements. Many of these have gone to court as owners do not think it is fair because their lot is on two streets - Durham Road is in the rear of their property. In his PowerPoint presentation, he showed photos of lots in violation as well as in compliance with the code. Public Works have applied for grants, some of which could be applied to the initial improvement but the City does not have money for on-going maintenance. The upgrade effort would have to be funded as a capital improvement project unless it could be part of a volunteer program.

Councilor Moore indicated Council talked about this as part of the street maintenance fee back in 2000. Given the City's financial problems, Council had to make choices between this or programs such as police officers.

Mayor Dirksen stated he would prefer moving beyond the status quo and eventually being able to go to the last option where the City would maintain the right-of-way. In the meantime, he would like for staff to explore a combination of options with a volunteer component. He is concerned with the image that is projected as people drive through the city. There are various ways people have addressed the maintenance which results in a quilt block pattern as people have a different concept of what compliance is and then you also have lots that are not in compliance as well.

Councilor Sherwood noted when Council considered the street maintenance fee, Council considered a number of programs that needed funds, such as streets, sidewalks, right-of-way maintenance, etc. She wanted to make sure the

money is spent on the top priority projects that were identified in how the street maintenance fees would be used before even thinking about spending funds on other areas.

Mayor Dirksen said it is not known what a project might cost, but it might be a hybrid between city work and volunteer involvement. It might be possible for a small demonstration project to be made, but in two years, something else might be possible.

Mr. Koellermeier asked if Council wanted him to look into this further and estimate what a project might cost using a variety of options.

Councilor Moore replied it should be part of the 2005-06 budget process.

Mayor Dirksen indicated he would like to move ahead on this as well even though there may be some people who would feel it is an extravagance. He concurred with Councilor Moore that the City is in a tough budget crunch but people have said that for many years.

Councilor Woodruff indicated he was in favor of the goal but concerned about the means as it relates to the street maintenance fee. It might be they could do some of the alternatives or possibly doing some reprioritization of projects. He would not support going back and identifying other uses of the street maintenance fee or creating other fees in the foreseeable future.

Mr. Koellermeier indicated this discussion provided good direction for staff on how to proceed during the next budget cycle.

4. BUILDING CODE ADOPTION UPDATE

a. Staff Report

Jim Hendryx, Community Development Director, noted Tigard had in the past adopted the Uniform Building Code for all building and construction in the city. He indicated Gary Lampella, Building Official, will provide an update of the building code adoption.

Gary Lampella, Building Official, explained that building officials throughout Oregon and the United States have been trying to standardize the building codes. Tigard has used the Uniform Building Code since 1998, but it is an antiquated code. The State of Oregon mandates there be a standardized building code for all its municipalities; once the State adopts a code, the

municipalities are required to adopt the same code. The City is scheduled to adopt a new code at its September 14 meeting.

Mr. Lampella noted that former Mayor Griffith served on numerous boards and committees relating to the state-wide building codes for as long as he can remember and was a staunch supporter of developing an international code to be used by the construction/building industry, including architects, fire officials, engineers, and building officials. He served on the state committee to research various codes which has completed an in-depth study of the proposed code to determine its effects. This code focuses more on sprinkler systems, has more design options for architects and engineers, used different building approaches, allows larger buildings and is more creative, but not at an increased expense. Fees will not go up. What is proposed to be adopted to go into effect October 1 is the International Mechanical Code and International Building Code. The Fire Marshal will adopt the International Fire Code as well.

Mr. Lampella indicated one thing that occurred in the past, a code would be adopted which referenced a code that had yet to be adopted by the State of Oregon. This created a lot of problems and required code changes to be approved every six months or so. This proposal is to adopt the Mechanical, Building and Fire Codes all on the same date, and they reference each other. On April 1, 2005, a new plumbing and electrical code will be adopted in Oregon.

Mr. Lampella indicated a new code, formerly the One, Two Family Dwelling Code will be replaced by the Low Rise Residential Code. The Low Rise Residential Code will apply to all apartment buildings three stories or less that have their own exterior exits. One problem which will occur is when the City adopts the International Building Code effective October 1, all apartments regardless of size will be required to be sprinkled. When the Low Rise Residential Code is approved effective April 1, some building will not be required to be sprinkled. In the past, the City has approved Tualatin Valley Fire and Rescue regulations as Chapter 9, which required any apartment building more than either one story or 16 units was required to be sprinkled. It is not possible to adopt a lower standard, but municipalities are allowed to adopt stricter standards.

Mr. Lampella indicated the entire building staff will be going through extensive training in the next month on the new code.

Mr. Hendryx noted since Mr. Lampella worked on the code at the state level, he was aware of the training requirements and included training costs in this

year's budget. He noted Mr. Lampella was nominated and received the "Building Official of the Year" award for his work on this committee.

Councilor Woodruff asked if the codes were being standardized throughout Oregon, or will they be applied piece-meal throughout the state.

Mr. Lampella explained that all municipalities are required to adopt the same code with the same effective date. This will make it much easier for developers. He noted in Texas, each jurisdiction could adopt different codes. Approximately 45 states in the United States are also adopting the International Codes in order to standardize the building code throughout the country. Other countries are also considering adopting the International Codes as well. President Bush just signed a bill calling for participation in an International Code Congress to work with Latin American countries to encourage them to adopt the International Codes for their buildings, as these areas are prone to earthquakes and weather problems where safer buildings are needed. He recently attended the International Building Officials conference, and there were delegates from not only the United States, but also from India, Japan, China, Turkey, and many other countries, who were looking at these new codes.

Councilor Wilson asked if special codes could be adopted such as the requirements of the American's with Disabilities Act.

Mr. Lampella noted that Oregon has amended that entire section relating to ADA requirements. Individual states can adopt additional codes relating to climatic, geographical or statute related matters where more stringent codes are required. Oregon is probably more restrictive than any other state.

5. FINANCIAL STATEMENT ALTERNATIVE REVIEW AND SELECTION

a. Staff Report

Tom Imdieke, Financial Operations Manager, distributed copies of the PowerPoint presentation as the type would be difficult to read on the screen. Copy of the handout is on file with the City Recorder. He explained these reports were the results of discussion by the Council and Budget Committee who asked for more financial reports to be prepared. He then reviewed the purpose of each report:

Expenditure Summary	Budget to actual information by fund and divisional work group, such as Police Administration, Police Operations. Beginning balance for the year is zero, but as time progresses, will represent the balance year to date. The ending balance shows what the unit has spent year to date from the beginning of the fiscal year. Report does not show revenues or fund balances, and would need to be used in conjunction with other reports	5 pages
Expenses vs. Budget	Presents expenditure data by fund, divisional work group, and individual account. This is the most detailed expenditure report. Shows amount spent for the current month, year to date, and encumbrances against the budget. Available column is amount remaining to be spent, includes percentage of the budget this is represented. Needs to be used in conjunction with other reports to give current revenues and fund balances. Report given to managers and supervisors on monthly basis to give status of their budget.	72 pages
Revenue Analysis	Presents revenue by fund received during the month, gives year to date, and uncollected amount compared to budget. Used in conjunction with other reports. Does not show beginning or projected fund balances.	13 pages
Revenue vs. Expenses Summary	Presents revenues and expenditures by fund, with grand total per fund. Calculates differences between current revenues and expenses. Does not give impacts by department, division, or program.	1 page
Revenue vs. Expenses by Account Type	Similar to Expense vs. Budget report, but presents total number for revenue by fund and expenditures by division or work group, and major expense grouped (Personal Services, Materials & Services, and Capital Outlay). Would not give fund balances if that is important.	32 pages
Revenue Vs. Expenditure by Fund	Similar to the previous report, but broken down by fund only, as well as totals for Personal Services, Materials & Services, and Capital Outlay. Some major categories included.	11 pages

Budget to Actual	Most comprehensive report. Gives both revenue and expenditure information compared to budget, by department and program. Does not go down to Division level. Example: in Police Department, totals given for Community Services Program. Could be used to track those expenditures throughout the year. Gives beginning and ending fund balances for each fund. Actual column is year to date information	2 pages for each fund, 25 funds in City
------------------	---	---

Mr. Imdieke stated he would recommend providing copies of the operating funds only which would include the general fund, building fund, and enterprise funds which are water, sanitary and sewer programs. Council did not really need reports that were revenue only on a monthly basis. That would reduce the number of pages from 50 pages to 30 pages. Finance Director Craig Prosser would still provide updates on those revenue funds on a quarterly basis.

Councilor Sherwood said she receives three pages of budget updates every month at the Department of Housing, which allows her and other board members to track the trends and where they are at. She did not need the detailed reports relating to expenditures.

Mr. Imdieke recommended Council start with the last report and if they find they need more information, Councilors can request additional information. He explained the Finance Division runs these reports anyway so it is not additional work to develop the reports.

Councilors Moore and Wilson indicated they did not feel they needed even that much information.

Mayor Dirksen pointed out the general fund and other operating funds were where the action is.

The Council concurred to receive and review the Budget to Actual reports the general and operating funds on a monthly basis, with other revenue funds being reviewed on a quarterly basis. The reports would be put in their regular mail distribution packet.

6. CITYWIDE SEWER EXTENSION PROGRAM UPDATE

a. Staff Report

Gus Duenas, City Engineer, presented his staff report including a PowerPoint Presentation concerning the Citywide Sewer Extension Program. He reviewed the history of the program which began in June 2001. The City is entering its third year of the program. In 2001, there were 677 residential lots identified of needing to be serviced by sewer. To date, 195 sewer laterals have been installed and the remaining 482 are scheduled during the next three years. Under the incentive program, Council agreed to cap the property owners cost at \$6,000 to the extent the cost does not exceed \$15,000 provided the owner connects to the sewer within three years after sewer becomes available. Any amount over \$15,000 can be deferred upon request until development occurs. Other costs the property owners incur includes:

- \$2,535 connection fee and inspect fee
- \$50 average sewer charge every two months for operation and maintenance
- All costs to connect the lateral from the house to the sewer line

Mr. Duenas explained the Department has a public information process for the sewer program. This begins with a general meeting where all the property owners for the various districts being considered for the upcoming years are invited. They do not get into details about specific projects at this meeting. When a specific project is being considered, then notices and project brochures specific to that project is prepared and mailed to all affected property owners.

Mr. Duenas stated in FY 2004-05, Council has awarded contracts for the construction of the 121st Avenue Sanitary Sewer Project and the 100th and Murdock Sanitary Sewer Project. The 100th and Murdock project is currently underway and the 121st Avenue project will begin in the next week or so. The next big project is Elmira and Edgewood area and the design is currently being worked on. That project will probably be put out to bid next March, awarded in April, and construction completed before the end of the fiscal year. In FY 2005-06, there are projects with 158 laterals and 129 laterals for FY 2006-07. Some projects require easements, which staff is working to acquire now. The projects requiring easements were put in the last year of the program.

Council and Mr. Duenas discussed the drainage problems in the Omara area, which might require pumping.

Mr. Duenas answered questions of Council regarding what is included in bid documents to recognize possible problems, such as rock that requires blasting.

He referred to next year's Communication Plan the Department follows which gives specific dates that legal notices need to be filed and deadlines.

7. DRAFT SANITARY SEWER & STORM DRAINAGE PUBLIC FACILITY PLANS

a. Staff Report

Gus Duenas, City Engineer, explained that staff has prepared draft Sanitary Sewer and Storm Drainage plans that will be part of the Public Facility Plan. The Public Facility Plan is a support document for the comprehensive plan which the City will be working on soon. Other plans will be needed for streets, sidewalks, street lights and water. Several of the plans refer to master plans or transportation plans which have already been adopted. Staff had time to do this now so they went ahead with these two plans. These will be a document that someone could pick up and find out everything they needed to know about sewers, how they are maintained, funded, and looks at a plan for 20 years in the future. He explained staff wanted Council's preliminary approval before proceeding with other plans, whether the Council feels they are on the right track, should the Department proceed with other updates, or if they wanted the Department to wait for the comprehensive plan to be updated before preparing the Public Facility Plan.

Mr. Monahan explained the Public Facility Plan is something the City is obligated to do anyway, and will be needed as part of the comprehensive plan or shortly after. He explained they do not need to be worked on in concert with the comprehensive plan. Different departments are responsible for different parts of the Public Facility Plan, whereas Planning will be the lead on preparing the comprehensive plan update. When the City last updated its comprehensive plan in 1983, the Public Facility Plan was not a requirement. There has been a need to look at the various infrastructure programs, and the Engineering Department has done those updates as needed. The new plans will provide better information and can be worked on in advance of the comprehensive plan update.

Councilor Wilson asked is the comprehensive plan likely to influence the Public Facilities Plan.

Mr. Duenas explained he and Mr. Monahan discussed this issue earlier. The comprehensive plan components are being updated as time goes by. In the past, the City has updated its transportation plan and sanitary sewer master plan. He did not believe they could be far wrong as they would be using the latest information to develop these plans. Once the comprehensive plan is

updated, it may be necessary to go back and make minor changes to update these plans, but the major work would have been completed. He noted that he was working on this while he is not under pressure to complete them, which has been a big advantage.

Mayor Dirksen asked if there was a possibility that the comprehensive plan process would negate all the work that has been done on these elements of the public facilities plan.

Mr. Duenas replied the document can be used by anybody to provide information about the infrastructure. For one thing, this element organizes the information into one location so that anyone can find out everything about the specific element. The second reason for doing the work now is that by the time the comprehensive plan is worked on, a lot of the groundwork will have already been completed. He explained that there will be a public process with hearings by the Planning Commission and Council before these elements are approved as part of the Public Facilities Plan.

The Council concurred for the Engineering Department to proceed with the other elements of the Public Facilities Plan.

8. AFFORDABLE HOUSING RESIDENTIAL SERVICES GRANT PROGRAM DISCUSSION

a. Staff Report

Liz Newton, Assistant to the City Manager, reviewed her staff report and background of this program. At the June 22 Council meeting, staff was directed to assemble information for a Council policy that would address food and housing support for Tigard residents in need. Council requested staff to look at a three step process.

1. Discuss the policy at an upcoming work session (this meeting);
2. Consider approving the policy at a subsequent meeting; and
3. Reconsider the application by St. Vincent De Paul/St. Anthony's Church and other requests at a subsequent meeting once the policy has been established.

Ms. Newton explained staff looked at the City of Portland's program titled "Emergency Fund of the Council," with the funds being used any way the Council deems appropriate. Tigard staff proposes more limits on the use of its funds, which would be to meet an unmet or growing need to support basic services for Tigard residents (food, shelter, clothing); not for ongoing

operations or maintenance; do not meet the criteria for the City's Social Services Program; and must meet the same reporting requirements as social service grant requests. The proposal is to limit the amount of the fund to one-half of one percent of the previous years funding for social services grants and affordable housing set-asides.

Ms. Newton responded to Council questions, and Council concurred to direct staff to bring back the written policy as outlined in her memo. Ms. Newton noted that in addition to the policy, a budget amendment would be required to appropriate the funds.

9. SOCIAL SERVICE GRANT PROGRAM COORDINATION

a. Staff Report

Mr. Monahan noted the Council had talked about the social services grant program several years ago. It was noted several agencies were receiving money annually, applications were not being received from new agencies, and there was a problem with some agencies providing even the most simple information to explain who the agency was providing services to. During the budget process last year, the Council and Budget Committee requested staff to look into a process of determining how funds for social services groups are utilized. Ms. Newton was asked to be the contact between the City and the social services operators, as well as prepare a recommendation for Council's consideration on how to improve the grant process.

Liz Newton explained the purpose for tweaking the program is to ensure that a wide range of qualified activities and programs are submitted for funding. She then reviewed the proposed four-phase Social Services Grant Fund Application process.

- Phase 1 – Outreach – In Mid-March, send a postcard to potential qualified agencies and programs inviting them to apply for funding. The list would be developed from past applicants, Chamber of Commerce directory, Washington County, and State agencies. Interested Agencies would be requested to contact the City for an application packet.
- Phase II – Application – The applications would be sent to those agencies who requested packets. Applications would be required to be submitted by early February and the review process begun in early to mid-February.
- Phase III – Grant Award – The Social Services Funding Subcommittee would consider the funding recommendations and Council would approve the grants and budget.

- Phase IV – Reporting – Require a mid-year report be submitted in December, and an annual report in June.

Ms. Newton indicated Phase IV was a new requirement. Staff felt it was important to receive information from the agency on who they have served, how the funds were being used, and what other outreach the agency had accomplished. In the past, there has been a problem receiving even the most basic information, so the intent is to receive information on what is needed. The reason for the information is two-fold: the City wants to expand services to citizens in need and to consider all programs that serve our citizens in need. The Staff requests Council's direction on the recommendations and whether the packet needs to be revised for the next funding cycle.

Councilor Moore stated he felt additional outreach was a good idea but was concerned about the possibility of having too many agencies bidding for the small amount of funds available.

Mayor Dirksen noted the Budget Subcommittee looks at all the applications they receive and noted that Ms. Newton's memo indicated that not everyone who applies will receive funding.

Councilor Sherwood noted she was pleased to see this revision as the agency she works for submits applications to cities and approves grants all the time. The agency is required to submit quarterly reports explaining who they serve and the dollars spent in the specific jurisdiction as a requirement of the granting agency. In addition, the agency gives grants to others, and those agencies are required to verify they have a balanced budget, what efforts have been made to solicit other funds, what the population they serve, etc. As an example, she routinely submits reports to the City of Beaverton on a quarterly basis providing this type of information. What is being proposed is not new as this type of information is something agencies already provide to other grant programs. Mid year reporting is not a problem. An agency even getting \$2,500, if they are operating and taking of their budgets properly, would be able identify the number of Tigard residents they serve, the dollars spent on that service, and how much money raised elsewhere. This is just part of doing their proper reporting responsibilities.

Ms. Newton said she used to be involved with the Community Development Block Grant program and recalled having to do those reports. She would look at those reports to guide her in developing Tigard's reporting forms.

Councilor Wilson noted he did not have a problem with the program on a basic level but was concerned about going out to recruit additional agencies to

apply for the small amount of money. If an agency is applying for a \$2,500 grant, if a lot of applications are submitted, the chances of being awarded a grant are reduced. He felt bad when someone applying for \$500 had to spend an evening at the Budget Committee Subcommittee meeting and then again at the Council meeting. This seems to be a lot to ask that it makes some agencies wonder if it is worth applying for.

Councilor Sherwood responded this happens all the time and is part of the process for applying for funds.

Councilor Woodruff stated he has sat on several foundation boards and indicated it was reasonable to require an end of the year report to show how the funds were used, how successful they were, and what the funds were used for. If \$100,000 was granted, there would be different reporting requirements, than for a \$2,500 grant. He understood what Councilor Sherwood was saying, that semi-annual and annual reports should be submitted to explain how the funds were used and populating served.

Mayor Dirksen asked if Council should put a limit on number of reports required based on the amount of the grant received. If someone received a \$10,000 or \$7,500 grant, then mid-year reports would be required in addition to the annual report. Otherwise, the mid-year report would not be required.

Mr. Monahan explained the City had problems with one agency who does not submit reports because they have a different definition from the City's definition of the Tigard area. Since Tigard provides the funding, Tigard should be able to set the boundary, and the agency should respond. However, that same agency continues to submit grant requests and the City continues to award the funds even though the agency does not provide the requested information. This sends the wrong message to that agency.

Councilor Wilson stated the subcommittee needs to look at that concern. Reasonable reporting is essential. He was concerned the applications might be too complicated; there are too much competition for the small amount of funds being awarded, and too much time required by agencies to make presentations. He hoped the City could come up with a policy that demands were minimized.

Ms. Newton responded staff needs to be clear in the information packet what information is required, the approval criteria, and the total amount of money available to be awarded. Council could indicate that certain criteria had a higher ranking than other criteria.

Council directed Ms. Newton to come back with additional information on the rating criteria, making the application process as simple as it can be while getting the information that is needed, looking at the intent of the reporting requirements, and perhaps developing a rating sheet to help the committee prioritize the criteria.

Council meeting recessed at 8:33 p.m.
Council meeting reconvened at 8:39 p.m.

10. DISCUSSION OF RECOMMENDATIONS PERTAINING TO THE REGIONAL BLUE RIBBON HOUSING TASK FORCE

a. Staff Report

Liz Newton noted she prepared this report at Councilor Sherwood's request, and a copy of the draft report of the Regional Blue Ribbon Committee on Housing Resources Development was included in the staff report.

Councilor Sherwood explained the Blue Ribbon Committee has met every month for nearly a year and talked about different funding sources for affordable housing. Portland Mayor Vera Katz and Commissioner Erik Sten proposed this be addressed on a regional level. She had testified before the State Legislature on a proposed real estate transfer fee as the law would need to be changed to allow this fee. The committee looked at a number of funding methods. Affordable Housing Programs in Seattle and either California or Florida were looked at to see if they could be adapted to Oregon. The real estate transfer fee will not work without the support of the real estate industry, which they did not have. The Committee will continue looking at other sources of revenue to fund affordable housing.

Councilor Sherwood noted the report includes some legislative history about funding affordable housing. The City of Ashland actually conducted a pilot program for affordable housing in their community. The Committee looked at the program for the tri-county area, and realized they would need between \$25 million and \$35 million a year that would be put into a trust fund, and then developers or agencies who were interested in conducting an affordable housing project would apply for those funds.

Councilor Sherwood explained that the low income citizens often have both adults working and still struggle to buy food and pay rent. There is currently

an 8-year waiting list for housing assistance funds. She reviewed the case of a single mom with two kids who had saved funds to qualify for a matching program so she could buy a house. Based on her salary and savings, it was determined the woman would afford a \$150,000 home. The woman was unable to find a \$150,000 home in the Tigard/Tualatin School District and finally had to walk away from the program. Mayor Katz wanted the committee to designate \$75 million a year, but the Committee felt that was too unrealistic to fund. Washington County has a real estate transfer fee of .1 percent, with the funds going to the general fund. This fee was created before the real estate transfer fee was ruled invalid, so their fee was grandfathered in.

Councilor Sherwood noted the Council and citizens could attend a program in October relating to affordable housing and hunger and to lobby their legislators in Washington, D.C. She noted three housing authorities have recently closed their doors because of administrative costs problems. The Washington County program is in pretty good shape because they have been very conservative and carefully reviewed its financial reports every month. When they saw a trend coming in increased administrative costs, cuts were made quickly.

Mayor Dirksen noted the presentation makes it clear that there continues to be a problem. Very few cities were even making an attempt to do something. Tigard has not done as much as it would like, but it is more than many jurisdictions.

Councilor Sherwood responded there is still an uphill battle regarding the real estate transfer fee, and if done statewide, would be a start. She noted citizens in the entire state were suffering and needs affordable housing. She noted that low income residents living in Sherwood and Newburg cannot afford to drive their cars to their jobs in Beaverton or Portland, so have to take the bus. The bus costs \$3 a day to get to and from work. That is a lot of money when they do not have money for rent. There are affordable housing projects around Washington County but many people are unaware of them. There is a waiting list of between 6 to 8 years to get a house.

Councilor Wilson noted this is a statewide problem, and is not just in the metropolitan area. A recent newspaper article talked about the problems the low income citizens have in Bend and Medford.

11. REVIEW COUNCIL GROUNDRULES

a. Staff Report

Mr. Monahan noted Council Groundrules require the Council to review its rules in July or August of each year. A copy of the last revision, Resolution 01-47 is included in the Agenda packet. He asked if Council had any concerns or suggestions to modify the Groundrules.

Councilor Sherwood asked if there was a way to reduce the number of items on an agenda.

Mr. Monahan explained he and the City staff are responsible for scheduling agenda items. They currently plan agendas for two months ahead. He noted several upcoming meetings have almost nothing scheduled. Other meetings are full. There is a problem when Council continues an item over to a meeting where the agenda is already full. For the most part, staff has been successful in scheduling the agenda. He also noted the Mayor does not participate any more than any other Councilor in setting the agenda, as it is the City Manager's responsibility to set the agenda. However, the Mayor and Councilors can suggest agenda items be scheduled for a later workshop or meeting. The Tentative Agenda is submitted to Council every month to indicate items that have been scheduled. Some items might be added because they are time sensitive.

Councilor Wilson asked what is the process for deciding when to adjourn.

Mr. Monahan noted the Groundrules indicate the Mayor or a Councilor can call for a point of order around 9:30 p.m. to determine whether the Council wants to continue meeting past 10 p.m. The Council's goal is to adjourn at 10 p.m. unless the majority of the Council extends that time. He and the staff try to structure the agenda in order to fit the time schedule and adjourn by 10 p.m. At weekly executive staff meetings, the weekly agendas are reviewed, and determine if modifications need to be made. If someone has asked for too much time, the staff will be asked to reduce the amount of time requested. In addition, staff reports are limited to 10 minutes. He noted Council is now allowing the staff to present their report before asking questions.

Mayor Dirksen expressed concern about the Visitor's Agenda. He is concerned when someone comes in talking about issues such as "persecution of a religious group in China." While being a worthwhile topic, it is not Council Business. During the Bull Mountain Annexation process, some citizens used the Visitor's Agenda as a time to bludgeon the Council about issues that were on

the Council agenda. He was concerned that some people will use the Visitor's Agenda to comment about election issues, which is not Council Business. The Groundrules state, "Visitor's Agenda is a regular feature of the Council business meeting. This item will be placed near the beginning of the Council agenda as a way to give citizens and visitors a chance to introduce a topic to the City Council. Council may decide to refer an issue to staff and/or schedule a tope for a later meeting." He did not feel this should be used as a forum to push their issue during the Council Business. He suggested some additional guidelines that say the Visitor's Agenda should be something appropriate to the business of the Council.

Councilor Moore stated he concurred with that. The Visitor's Agenda should not be a candidate forum. The only concern he would have is that citizens have the right to address the council on any issue, and whether restricting that would be a Fourth Amendment issue.

Mr. Monahan noted the City in the past has invited all candidates to a Candidate Forum that is taped and rebroadcast on cable television. This has been just for Council Candidates, but it could be expanded to invite state and federal legislative candidates, and/or having a night for issues. He also noted the statement on the visitor's agenda differs from what the Groundrules state. Maybe the definition in the Groundrules and the signup sheets needs to be revised to allow political statements under the Visitor's Agenda.

Councilor Woodruff stated he felt this was a time for people to comment about items not already scheduled. He suggested the name might need to be changed.

Mr. Monahan noted the sign-in sheets may need to be modified in order to conform to what is in the Groundrules. He also noted Council does not have to address the person's concern at that time, but can either schedule further discussion at another meeting or at the end of the meeting under "Non-Agenda Items." There may be groups concerning a specific ballot measure who are going to come to every municipality to discuss the measure. It is possible the Council might want to schedule that group on the agenda rather than having the presentation during the Visitor's Agenda. He suggested he request staff to contact other municipalities to ask how they handle comments from citizens, forms used for sign-up, time limits, and other issues.

The Council concurred with Mr. Monahan's suggestion, and indicated he would try to have the results at the September workshop meeting.

12. COUNCIL LIAISON REPORTS - None

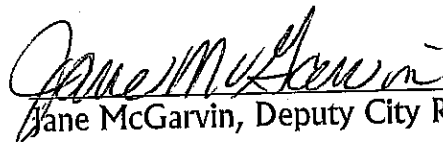
13. NON-AGENDA ITEMS - None

ANNOUNCEMENTS

- The Library Grand Opening is on Saturday, August 21, from 10 a.m. to 2 p.m.
- Tentative Council Meeting on August 31, if needed relating to Ballot Title review
- Tualatin Valley Fire and Rescue lunch is on September 29 at noon
- League of Oregon Cities Annual Meeting, November 4-6 at the Portland Marriott, and no Sunday session.

14. ADJOURNMENT

Mayor Dirksen adjourned the meeting at 9:19 p.m.


Jane McGarvin, Deputy City Recorder

Attest:


Mayor, City of Tigard

Date: September 28, 2004